

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4213-04  
Bill No.: SCS for HB 1073 & HCS for HB 1477  
Subject: Agriculture and Animals; Agriculture Dept.; Children and Minors; Education, Elementary and Secondary; Elementary and Secondary Education Dept; Employees-Employers; Labor and Industrial Relations Dept.; Liability; Licenses-Professional; Merchandising Practices; Motor Fuel; Motor Vehicles; Natural Resources Dept.; Water Resources and Water Districts  
Type: Original  
Date: April 20, 2012

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Bill Summary: This proposal modifies provisions pertaining to agriculture.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 7 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## **FISCAL ANALYSIS**

### **ASSUMPTION**

#### *Section 142.031 - Missouri Qualified Biodiesel Producer Incentive Fund*

Officials at the **Department of Agriculture** assumes there is no fiscal impact from this proposed legislation.

**Oversight** assumes biodiesel producer is eligible to collect from the Missouri Qualified Biodiesel Producer Incentive Fund for 60 months unless it fails to receive the full amount due to a lack of appropriations, in which case a producer is eligible for up to 24 additional months to collect.

**Oversight** assumes this section removes the 24-month limitation on a qualified biodiesel producer and allows a producer's eligibility to continue until the full amount due has been received. There is no fiscal impact from this proposed section

#### *Section 178.530 - Agricultural Education in Private Schools*

Officials at the **Department of Elementary and Secondary Education (DESE)** state currently the department is aware that this legislation is intended to allow one private school to apply to the state chapter for approval of a local chapter of a federally chartered national agricultural education association. It is not expected that this one private school's application will have a significant fiscal impact on operations. However, should additional private schools opt to take advantage of this program; costs could become unknown.

**Oversight** assumes this section requires the State Board of Education to develop standards for agricultural vocational education that may be adopted by a private school in order to qualify the school to apply to the state chapter of the Future Farmers of America for the approval of a local chapter.

**Oversight** assumes DESE can absorb any costs related to this section as the number of schools applying is expected to be minimal. This proposed section will have no fiscal impact.

Officials from the **Department of Agriculture** state this section will have no fiscal impact on their agency.

ASSUMPTION (Continued)

*Sections 256.400 - 256.433 - Southeast Missouri Regional Water District*

Officials at the **Department of Natural Resources (DNR)** assume this section would prohibit large water consumers from taking and transporting water from within the Southeast Missouri Regional Water District to locations outside the District, if such taking and transporting interferes with the normal water usage of certain other large water consumers. If such interference occurs, the Attorney General or the affected parties may seek an injunction. No injunction may be issued if it would harm public health or safety.

DNR assumes there is no fiscal impact from this proposed section.

Officials at the **Department of Agriculture** assume there is no fiscal impact from this proposed section.

*Section 262.795 - Child Agricultural Work*

**Oversight** assumes this proposed section allows a child to perform agriculture work on a farm owned and operated by the child's parent, sibling, grandparent or sibling of a parent or, if the work is performed by the child with the knowledge and consent of the child's parent, on any family farm or on any family farm corporation. This proposed section should result in no fiscal impact.

*Section 270.270 - 270.400 - Feral Hog Definition*

**Oversight** assumes this proposed section changes the definition of a feral hog from a European Wild Boar to Eurasian Swine. This proposed section should result in no fiscal impact.

*Section 276.401 - Missouri Grain Dealer Law*

Officials at the **Department of Agriculture (AGR)** state this section would impact approximately 10 feed manufacturers who purchase less 50,000 bushels of grain and who are currently licensed would be exempted from license requirements. Each pay a license fee of \$40 annually, so a total of \$400 less would be collected by the agency. However, exemption audits would continue, so the Grain Regulatory Services Program (GRS) would still need to make annual site visits to determine compliance.

ASSUMPTION (Continued)

AGR state GRS fees are paid into the Agriculture Protection Fund (APF). Approximately 10 grain businesses would be exempt from future license requirements based on the most recent grain purchases reported. The Grain Dealer license fee is \$40 annually.  $\$40 \times 10 = \$400$ .

AGR state there would be no cost saving to the agency from this exemption, as compliance audits would continue to verify exemption compliance.

**Oversight** assumes AGR can absorb the cost related to this proposal as the number of grain businesses who purchase less than 50,000 bushels of grain and would be exempted from the license fee is minimal.

*Section 414.255 - Missouri Renewable Fuel Standard Act*

**Oversight** assumes this section provides that a gas station, in compliance with the state ethanol mandate, is not liable for damage caused to a customer's vehicle from use of ethanol-blended fuel purchased from a gas station; provided someone other than an employee of the gas station makes the fuel selection, and the fuel pump is correctly labeled. This section should result in no fiscal impact to state or local government funds.

*Bill as a Whole*

Officials from the **Office of the Secretary of State (SOS)** state many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$2,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with the core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

**Oversight** assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process.

ASSUMPTION (Continued)

Officials at the **Office of Attorney General (AGO)** assumes that any potential costs arising from this proposal can be absorbed with existing resources.

Officials at the **Department of Revenue, Department of Natural Resources, State Treasurer's Office, and Department of Transportation** each assumes there is no fiscal impact from this proposed legislation.

**Oversight** assumes there is no fiscal impact from this proposed legislation on state or local government funds.

<u>FISCAL IMPACT - State Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
	<u><b>\$0</b></u>	<u><b>\$0</b></u>	<u><b>\$0</b></u>

<u>FISCAL IMPACT - Local Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
	<u><b>\$0</b></u>	<u><b>\$0</b></u>	<u><b>\$0</b></u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

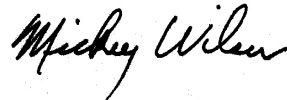
FISCAL DESCRIPTION

The proposed legislation appears to have no fiscal impact.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Agriculture  
State Treasurer's Office  
Department of Transportation  
Department of Revenue  
Department of Natural Resources  
Office of Secretary of State  
Department of Elementary and Secondary Education  
Office of the Attorney General

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA  
Director  
April 20, 2012